

C O P Y

Approved For Release 2000/05/23 : CIA-RDP78-03091A000200010006-1
12 May 1967

NOTE TO: C/RB

- 25X1A 1. At the Retirement Board meeting the other day, Emmett was shocked to learn that [REDACTED] had not released your memos to 25X1A individuals affected by the new retirement policy. There was some discussion of it and it might be in that portion of the transcript which I sent to [REDACTED] today. At any rate, [REDACTED] indicated that they were waiting 25X1A issuances of an announcement on this. Emmett mentioned that the change of regs was in process but that since this might take sometime, he would get out a headquarters notice.
2. We checked yesterday and learned that the Director and Col. White have now reached some decision on how extensions are to be handled. Although I don't know for sure, I am told that all extensions will be treated the same way, both Civil Service and CIA - to the Board, to D/Pers, to the Director.
3. Since we thought the regs might get out fairly soon, [REDACTED] and 25X1A I thought that the notice Emmett had promised to prepare might be unnecessary and we were going to try and sweat it out. Just now [REDACTED] advised that the 25X1A 7th Floor has asked D/Pers to put out a bulletin explaining the new retirement policy and we need a draft in the next couple of days.
4. I don't think this has to be too lengthy. I think you need only pull from the memos that we have sent out what our past policy was, what it is now in view of the amendments to the Civil Service Retirement Act, the fact that the Director has also approved age 60 as the mandatory age for GS-18's in the CIA System, etc. In view of the tenor of the conversation at the Board meeting, let's cover the matter of extensions but don't put anything about the ~~alternative~~ automatic two-year grace period. Simply provide information on how extensions can be submitted and what happens to them.
5. Give me a rough draft because I am sure that all of us will want to give it our two cents contribution.

C/BSD

ALL EMPLOYEE NOTICE

A. The purpose of this notice is to inform Agency employees of the new retirement policies as outlined in [REDACTED]

25X1A

25X1A

- B. 1. In 1959 the Agency adopted a policy which encouraged employees to retire voluntarily as soon as they were eligible to do so under the Civil Service System. Employees were, therefore, expected to retire upon completing 30 years service at age 60, or after five or more years at age 62. When this policy was adopted, the Civil Service Retirement System had three provisions for optional retirement: (1) at age 60 with 30 years of service, (2) at age 62 with five years of service, and (3) at age 55 with 30 years of service but with a reduction in the annuity (reduction of one per cent for each year under age 60). The Agency did not invoke the provision for optional retirement at age 55 with 30 years of service. Our policy as applied to Civil Service retirees was expected retirement as soon after attainment of age 60 as the employee can receive an immediate annuity without reduction.
2. Legislation enacted in 1966 amended the Civil Service Retirement Act to permit optional retirement without a reduction in annuity at age 55 with 30 years of service and at age 60 with 20 years of service in addition to the previous provisions for retirement at age 62 with five years of service.

3. In applying the Agency's original policy, that employees are expected to retire as soon after attainment of age 60 with an immediate annuity without reduction, the Agency has followed the new Civil Service Retirement System and adopted the policy that employees are expected to retire at age 60 with 20 years of service.
- C. The Agency's own Retirement System provides a mandatory age of 60 for employees in Grade 17 and below and of 65 for those in Grade 18 and above. In order to be consistent for all employees, the Agency has adopted the policy that those employees under the CIA Retirement System be expected to retire at age 60 regardless of grade.
- D. The original policy established in 1959 authorized Deputy Directors and Heads of independent offices to make exceptions to the policy based on the need to retain the services of an employee with difficult-to-replace skills or experience; and establish an Agency Retirement Board (now abolished) to consider exceptions based on compassionate grounds . . . that is, those involving unusual financial hardship. This policy still remains in effect except that all requests for the need to retain an employee's services shall be forwarded by the Deputy Director or Head of an independent office to the Director of Personnel who will obtain the advice of the CIA Retirement Board before forwarding such requests with his recommendation to the Director of Central Intelligence who has the final authority. Also, all cases based on unusual financial hardship will be forwarded to the CIA Retirement Board to determine appropriate action on requests for exceptions.

- E. Implementation of the revised retirement policies as outlined above will be phased gradually over the next two years with liberal exceptions to give full consideration to its impact on individuals who might have reasonably expected to continue in employment until age 62 or age 65.

Richard Helms
Director of Central Intelligence